



Memorandum

TO: HONORABLE MAYOR AND CITY
COUNCIL

FROM: Jeffrey L. Clet

**SUBJECT: STATE EMERGENCY
TELEPHONE NUMBER (911)
SURCHARGE**

DATE: May 28, 2004

Approved

Date

INFORMATION

The purpose of this memorandum is to provide additional information requested by the City Council on the State Emergency Telephone Number (911) Surcharge.

BACKGROUND

In 1972, with the passage of Assembly Bill 515, the State of California, Telecommunications Division, 911 Program Office (911 Office), was charged with providing funding for creating and maintaining the infrastructure needed to provide the 911 Program throughout California. The goal of the 911 Office is to provide the infrastructure necessary to enable each Public Safety Answering Point (PSAP) the capability to provide a rapid and effective means to support emergency help from any telephone in the State. Revenue for the State 911 Fund is generated by a surcharge on landline telephone bills. These fees are collected by the Franchise Tax Board and then deposited into the State 911 Fund that is managed by the 911 Office. The funds provided by the State can only be spent on 911-related telephone equipment, training, and limited attendance at the California National Emergency Number Association (CalNENA) conference. To the extent possible, the City has accessed this reimbursement funding and none of these reimbursements have been assumed in the calculations for the recently proposed Emergency Response Fee.

STATE FUNDING POLICY

In order to provide funding in an equitable manner throughout the state, the 911 Office established a Customer Premise Equipment (CPE) funding allotment calculation that is based on each PSAP's volume of 911 calls using the CPE Provisioning Policy, the median prices obtained from the CPE contract for a standard system, and the PSAP's 911 call taker staffing commitment. The CPE funding allotment for each PSAP is designed to enable the PSAP to accrue funding, on an annual basis, toward their next replacement of a complete 911 system or certified upgrade. Agencies are allowed to "bank" these funds for up to five years. As mentioned above, these funds can only be spent on 911-related telephone equipment, training, and the California National Emergency Number Association (CalNENA) conference.

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The 911 Office has established CPE funding allotment amounts at various funding levels that are based on the quantity of 911 calls, including up to 20 percent of 911 calls that are abandoned before they are answered during the averaged typical busy month. The typical busy month will be based on selection of the three highest call volume months over the previous 18 months, adding the total of the three selected months, then dividing the total by three. Based on this methodology, San José Police and Fire Communications fall under the highest funding level, level-5 with a current allocation for San José of approximately \$200,000 per year.

At the beginning of the current year, the City of San José had \$1,134,000 in CPE funding available. The installation of the City's new CAD System required the upgrade of the telephone system and related computer equipment. Utilizing the CPE funding available, the State provided partial funding for the upgrade of the telephone switching system and related computers (estimated value of upgrade is \$474,000). Approximately \$660,000 in the City's CPE funding allotment remains available.

In accordance with Federal Communications Commission (FCC) Order 94-102, the 911 Office has launched a project to implement enhanced 911 services for wireless telephone users throughout California. A major emphasis of this project is the redistribution of statewide wireless 911 call volumes to local PSAPs from the California Highway Patrol (CHP) communications centers that handle an overwhelming number of wireless 911 calls. As an incentive for PSAP participation in this project that will significantly improve 911 wireless caller response times, the 911 Office will provide participating PSAPs a one-time allotment for costs associated with implementation of a Geographic Information System (GIS). Primary PSAPs that agree to answer wireless 911 calls directly or secondary PSAPs that receive transferred wireless calls through the 911 network may request GIS funding. This one-time GIS funding allotment is based on the PSAP's 911 call volume statistics as determined by the CPE provisioning formulas.

PSAPs may use this one-time GIS funding allotment for software, hardware and services necessary to provide the 911 call taker with GIS mapping to be used for the display of Wireless Phase II latitude and longitude of the person that has dialed 911. GIS expenditures submitted for funding must include a GIS plan identifying the scope (task and/or item elements with a description of how the mapping requirement will be met), schedule and resources (itemization of proposed costs). San José Communications has applied for this funding for the new CAD Mapping project and will be reimbursed an additional \$375,000 upon completion of the Wireless E-911 project. This funding from the State would reimburse the City for actual 911-related expenditures incurred to implement the Wireless E-911 mapping requirement to record the location of a call, currently funded through the new CAD budget. These costs are not included in the calculation for the proposed Emergency Response Fee.

Thank you for the opportunity to provide this information to the City Council. Please advise if I can be of any further assistance.

JEFFREY L. CLET
Fire Chief